

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY

January 14, 2025, MINUTES

The City of Virginia Beach Development Authority (“VBDA” or “Authority”) held its regular meeting on Tuesday, January 14, 2025, at 8:30 a.m. in the Economic Development Town Center Boardroom at 4525 Main Street, Suite 700, Virginia Beach, VA, pursuant to notice given by the Chair.

Full video of each item presented and discussed at this meeting can be viewed on the Economic Development website at the following link – <https://www.yesvirginiabeach.com/vbda>

MEMBERS PRESENT:

Lisa M. Murphy, Chair
W. Taylor Franklin, Vice-Chair
Guenter H. Weissenseel, Secretary
William Brunke, Treasurer
Donald Horsley, Commissioner
Eric Keplinger, Assistant Secretary
Penny Morgan, Commissioner
Ronnie L. Parker, Commissioner
Michael J. Standing, Commissioner
David Weiner, Commissioner

MEMBERS ABSENT:

Linda Garris-Bright, Commissioner

CITY COUNCIL:

Council Member, Michael Berlucchi

CITY COUNCIL ABSENT:

Vice Mayor, Rosemary Wilson

ADVISORS PRESENT:

Amanda Jarratt, Deputy City Manager
Kathy M. Warren, Director, Planning & Community Development
Alexander W. Stiles, Senior City Attorney
Emily L. Archer, Deputy Director, Economic Development
Natalie Guilmeus, Deputy Director, Economic Development
Henry W. Cobb, Business Development Manager II
Charles J. Bauman, III, Business Development Coordinator
Dominique DeBose, Business Development Representative I
Kayla Dotson, Administrative Technician
Madison Eichholz, Development Liaison Planner
Jadon Gayle, Business Development Representative II
Roosevelt Grandberry, Town Center Planning Coordinator
Paige M. Fox, Business Development Manager II
Vicki Kelley, Administrative Specialist I
Letitia E. Langaster, Business Development Manager II
Matt Mader, Senior Land Development Engineer

Howie McEntee, Accountant II
Tecora McIntyre-Catlett, Executive Assistant II
Annagid Walker, Administrative Technician
Pamela D. Witham, Project Development Planner III

REPORTED BY: Amanda Jarratt

RECORDED BY: Kayla B. Dotson

Chair Lisa Murphy began the meeting at 8:31 a.m. and opened the floor for public comment.

OPEN FLOOR

No public speakers.

REGULAR MEETING

MEETING MINUTES

1. Approval of Special Meeting Minutes, December 3, 2024, and Regular Meeting Minutes December 10, 2024.

MOTION: Guenter Weissenseel

SECOND: Mike Standing

APPROVED: 10-0-0

FINANCIALS

2. Review of Financial Statements for December 2024 presented by Howie McEntee.

Operating Account Summary: December 2024

Adjusted Beginning Cash – December 1, 2024 **\$8,005,072**

Cash Receipts Detail

- Grand Total of Cash Receipts
\$ 8,425 Interest Income

Cash Disbursements Detail

- Grand Total of Significant Cash Disbursements
\$ 56,885 Atlantic Park Construction and support services through 1/31/2024 – MBP
\$ 15,070 Monthly Conduit Management December 15th – January 15th -Globalinx
\$ 4,358 Legal Service for Atlantic Park Project through 10/31/2024 – Davis

Commercial Law

Ending Cash – December 31, 2024 **\$7,917,184**

- Amounts Paid and Reimbursed by City of VB – December 2024
\$ 2,047,668 Atlantic Park -Venture Waves Draw #22– Entertainment Venue
\$ 1,159,725 Atlantic Park -Venture Waves Draw #22 – Offsite Infrastructure (City Asset)
\$ 529,458 Innovation Park – Draw #13 Offsite Infrastructure work and development fee through 11/30/2024 – Architectural Graphics, Inc.

\$ 2,496 Innovation Park - Geotechnical Testing Services – VHB
 \$ 2,275 Innovation Park – Construction Phase Services – Kimley Horn
 \$ 3,620 Corporate Landing - New Roadway & Pond C Final Design – VHB

Capital Maintenance: December 31, 2024

- Amphitheater - \$771,222
 \$ (9,116) Parking Lot Improvements Plan – VHB

- Human Services Building - \$3,579,323
 \$ 47,910 Monthly Lease – January
 \$ (3,371) Roof Cooling Tower Replacement – HBA Architecture

- VB National Golf Course - \$2,179,815
 \$ 14,414 Monthly Revenue Share Agreement
 \$ (9,987) Roof replacement design phase - HBA Architecture
 \$ (7,668) Pond 1 Maintenance Plan – VHB

Incentive & Initiative Account Summary: December 2024

Beginning Cash – December 1, 2024 **\$1,129,267**

Cash Receipts Detail

- No Significant Receipts

Cash Disbursements Detail -

- FIG Grant – Replace sign, cover roof, and paint hut on Pacific Avenue – Jungle Golf of Virginia Beach **\$10,000**

Ending Cash – December 31, 2024 **\$1,119,244**

Beginning EDIP appropriations as of December 1, 2024 **\$11,191,508**

- Aslin Beer Company – Remaining amount paid out in Dec. of the total 100k grant related to Capital investment Eastern Data, Inc. **\$7,425**

Total EDIP appropriations as of 11/30/2024* **\$11,184,083**

EDIP Part A – Encumbered as of 12/31/2024 **\$4,620,967**

EDIP Part B Encumbered as of 12/31/2024 **\$ 795,909**

EDIP Grant Funds Available as of December 31, 2024 **\$5,767,207**

** Actual EDIP Cash received from the City and held by the VBDA on December 31, 2024, is \$1,090,836. The remaining \$10,093,247 is being held by the City and will be transferred to the VBDA as needed for payment of approved EDIP awards.*

No Discussion

ECONOMIC DEVELOPMENT INVESTMENT PROGRAM (EDIP)

3. Request approval of a Resolution for EDIP Part F Small Business Grant Selection Committee Recommendations Presented by Business Development Manager II Henry Cobb

Presentation: Business Development Manager II, Henry Cobb Presented 16 recommended applicants to receive grants up to \$10,000 for an identified eligible use under the EDIP Part F Small Business Grant program for a total of \$136,530. The program seeks to increase access to funding for historically underserved and marginalized small businesses in Virginia Beach, focusing on women, minority-owned, veteran, and service-disabled veteran-owned businesses. Mr. Cobb presented supporting information for the selection committee's recommendation for each applicant. In the final portion of the presentation Mr. Cobb requested guidance on proceeding with the remaining \$440,349 balance dedicated to the Part F award, the options included opening a new cycle with priority to an additional 33 qualified applicants from current pool who did not meet the first round recommended rubric points or wait until the performance period of current cycle ends to determine next steps.

Full Presentation located at minute [7:11 of the meeting video](#).

Discussion: Chair Lisa Murphy began the discussion by asking if the total dedicated \$576,879 was designated by City Council specifically for this program, Mr. Cobb and Senior City Attorney Alex Stiles explained the funds were originally from EDIP Part E Covid Relief program that is no longer active and the full amount of \$576,879 is now Part F funding. Treasurer William Brunke first recognized the amount of time and effort Virginia Beach staff put into reviewing applications then proceeded to share that he sat on the selection committee and had several notes on the process. Mr. Brunke wanted to emphasize that this process for determining qualified candidates is rubric driven with some awarded points being objective, such as years in business or submission of a credit report. While other points were potentially subjective, such as the point awarded for business plan strategy. The selection committee had to request additional information on use of funds from several businesses to determine an award recommendation. It was Mr. Brunke's thought that the outcome of the first selection meeting would be to award the first round of applicants and then reassess the process of awards. He shared that he felt the years in business portion of the rubric was weighted too heavily, noting that he is in favor of incentivizing growth for new business not subsidizing existing business. Chair Murphy added that reevaluating if the credit report submission should be mandatory instead of optional should be reviewed. Commissioner David Weiner and Mr. Brunke discussed that if a new rubric or point system were to be created for the next round of awards the current eligible pool of 33 applicants should reapply to ensure the company is still qualified. Chair Murphy determined the general advice from the Authority was to grant the first 16 awards and review the application process for future awards.

MOTION: William Brunke

SECOND: Mike Standing

APPROVED: 10-0-0

4. Request Approval of a Resolution of revision to Sanjo Virginia Beach Inc. 2022 \$350K EDIP for Phase II Development Presented by Business Development Manager II Paige Fox.

Presentation: Business Development Manager II, Paige Fox shared a refresher on Sanjo, a Spain based company that established its North American headquarters in Virginia Beach in 2016.

Phase I of its operation was completed in 2018 and Phase II of its operation was completed in August of 2024. Ms. Fox provided a reminder that the VBDA approved \$350,000 EDIP to Sanjo for Phase II that expires July 2025, which included \$230,000 for capital investment and \$120,000 for job creation. Sanjo has determined the anticipated capital investment costs for Phase II are higher than projected due to an additional loading dock being built and plans to develop a road to support Phases II and III. Ms. Fox recommended a revision to the existing (EDIP) grant, Part A award from 2022 to change the \$350,000 total to solely capital investment, and a 1-year extension: expiring July 2026. Ms. Fox clarified that these funds have already been encumbered for the company and would not be additional cost to the VBDA.

Full Presentation located at minute [28:06 of the meeting video](#).

Discussion: Secretary Guenter Weissenseel asked what the total capital investment from Sanjo would be if the revision is approved. Ms Fox shared Sanjo’s capital investment would change to \$8.75M from the initially projected \$5.5M.

MOTION: Taylor Franklin
SECOND: Penny Morgan
APPROVED: 10-0-0

CONTRACTS

5. Request Approval of a Resolution of revision to Sanjo Virginia Beach Inc Option for Phase III Development Presented by Business Development Manager II Paige Fox.

Presentation: Business Development Manager II, Paige Fox shared that in July 2022 the VBDA swapped a 10.4+/- acre parcel in Corporate Landing for a 7.72 +/- acre parcel owned by Miller Group, to be held for Sanjo’s Phase III expansion. A Resolution directed staff to execute an option with three 5-year terms. Due to delays in completion of the land swap between the VBDA and Miller Group, as well as no expressed urgency from Sanjo, an option agreement for Phase III was never executed. After several months of coordination with Sanjo and the VBDA in late 2024, staff now recommend a Resolution for Sanjo for Phase III under new terms, to include: One 3-year term, with one 3-year right of first refusal and removal of verbiage directing use of specified developer.

Full Presentation located at minute [32:05 of the meeting video](#).

Discussion: Chair Murphy opened the discussion by clarifying that if the Original Option had been executed in 2022 the option agreement would have been 3 years into the 15-year agreement.

MOTION: Eric Keplinger
SECOND: Guenter Weissenseel
APPROVED: 10-0-0

INTERNATIONAL INCUBATOR

6. Request Approval of a Resolution authorizing a sublease in the International Incubator to Gibb Medical and Rescue Presented by Business Development Manager II Paige Fox.

Presentation: Business Development Manager II, Paige Fox presented information on Gibb Medical and Rescue. A provider of personal protective equipment and maintenance, repair, and operations for energy sector companies. They provide support, education, and equipment for

organizations in high-risk environments. Ms. Fox gave a reminder that the International Incubator was created to serve as a soft-landing spot for international companies coming to the region and looking to establish a foothold in Virginia Beach. The International Incubator is currently undergoing a furniture refresh as approved by VBDA.

Full Presentation located at minute [35:33 of the meeting video](#).

No Discussion

MOTION: Taylor Franklin
SECOND: Ronnie Parker
APPROVED: 10-0-0

VBDA ASSETS

7. Review and request approval of Bid(s) for Virginia Beach National Golf Course Roof Replacement Presented by Project Development Planner III Pamela Witham

Presentation: Project Development Planner III, Pamela Witham shared a request for approval for the apparent lowest responsive bid for the Virginia Beach National Golf Course roof replacement. The VBDA had previously approved \$409,467 in July 2024 for roof repair and exterior painting based of the engineer's estimate for roof replacement of roughly \$300,000. The bid was submitted by Integral Contracting, LLC for \$170,000. Ms. Witham noted that the bid was significantly lower than projected due to the better-than-expected structural integrity beneath the roof.

Full Presentation located at minute [37:22 of the meeting video](#).

No Discussion

MOTION: Taylor Franklin
SECOND: William Brunke
APPROVED: 10-0-0

8. Review and approval of Virginia Beach National Golf Course Interior refresh up to \$180,000 Presented by Project Development Planner III Pamela Witham

Presentation: Project Development Planner III, Pamela Witham noted that a portion of the approved amount from the July 2024 meeting was allocated to repainting the interior of the clubhouse. In addition to painting, other refresh items were noted for attention including flooring, window frames, doors, and lighting. Ms. Witham is requesting to use \$180,000 in capital maintenance account funds to address the additional interior refresh items with an anticipated completion of spring 2025.

Full Presentation located at minute [40:56 of the meeting video](#).

No Discussion

MOTION: Penny Morgan
SECOND: Guenter Weissenseel
APPROVED: 10-0-0

TOWN CENTER

9. Request approval of a Resolution authorizing the renewal of an Outdoor Café for Bravo Brio Restaurants, LLC. Presented by Town Center Planning Coordinator, Roosevelt Grandberry

Presentation: Town Center Planning Coordinator, Roosevelt Grandberry, presented a request for a Fourth Amendment to the Open-Air Café Agreement for Bravo Brio Restaurants, LLC. This amendment would extend the term for 5 years through January 31, 2030. Bravo currently has an outdoor café area of 1,187 sq. ft. and pays a \$7.12 per sq. ft. use fee annually, with a 3% escalation each year. Mr. Roosevelt noted that this fee is the standard for all Town Center's Open-Air Café Agreements.

Full Presentation located at minute [44:10 of the meeting video](#).

No Discussion

MOTION: Ronnie Parker
SECOND: William Brunke
APPROVED: 10-0-0

ADMINISTRATIVE INFORMATION

10. VBDA Priorities: *VBDA Members*

No Discussion

11. Interim Directors Report: *A. Jarratt*

Chair Murphy asked Deputy City Manager Amanda Jarratt to share her Interim Directors Report (#12) before Chair Murphy's VBDA members report (#11).

Discussion

- Deputy City Manager Amanda Jarratt shared that Economic Development staff will be providing a City Council briefing on Innovation Park and Town Center SSD following the VBDA meeting at 2:00pm.
- Council CIP Retreat will be held January 27 and 28, 2025 at the Virginia Beach Convention Center.
- Comprehensive Plan work session will be held on January 30th. The Planning Commission is publicly reviewing 2 chapters at a time and once all chapters are reviewed there will be an opportunity for public input. An early spring adoption is anticipated.

12. VBDA Members: *L. Murphy*

Discussion:

- Chair Murphy provided an attendance reminder for VBDA Commissioners, noting that attendance is tracked on a calendar year basis with a limit of no more than 3 unexcused absence per year.
- Reminder to complete 2025 Statement of Economic Interests due February 2025.

- Chair Murphy also shared that this would be Ronnie Parker’s final meeting with the City of Virginia Beach Development Authority. Chair Murphy read a Resolution in honor of Ronnie Parker’s almost three-year commitment to the VBDA and presented him a gift of appreciation for his service.

Chair Murphy requested a motion to add a closed session item pursuant to LEGAL MATTERS: Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, pursuant to Va. Code § 2.2-3711(A)(7). (District 5)

MOTION: Taylor Franklin
SECOND: Eric Keplinger
APPROVED: 10-0-0

Chair Lisa Murphy moved to recess into a closed session.

RECESS TO CLOSED SESSION

PUBLICLY-HELD PROPERTY: Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to Va. Code § 2.2-3711(A)(3). (District 2) (District 3)

PROSPECTIVE BUSINESS OR INDUSTRY: Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business’ or industry’s interest in locating or expanding its facilities in the community, pursuant to Va. Code § 2.2-3711(A)(5). (District 5)

CONTRACTS: Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to Va. Code § 2.2-3711(A)(30). (District 1) (District 2) (District 3) (District 4) (District 5)

LEGAL MATTERS: Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, pursuant to Va. Code § 2.2-3711(A)(7). (District 5)

MOTION: William Brunke
SECOND: Penny Morgan
APPROVED: 10-0-0

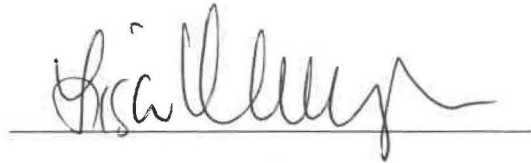
RECONVENED INTO OPEN SESSION

CERTIFIED CLOSED SESSION

MOTION: Taylor Franklin
SECOND: Eric Keplinger
APPROVED: 9-0-0

Mr. Taylor Franklin left the meeting prior to the certification of closed session.

Chair Lisa Murphy adjourned the meeting at 10:51 a.m.

A handwritten signature in black ink, appearing to read "Lisa M. Murphy", is written over a horizontal line.

Lisa M. Murphy, Chair